VZCZCXRO2787 RR RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHJS #0048 1330329 ZNR UUUUU ZZH R 130329Z MAY 09 FM AMCONSUL SURABAYA TO RUEHC/SECSTATE WASHDC 0411 RUEHJA/AMEMBASSY JAKARTA 0398 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS RHHMUNA/HQ USPACOM HONOLULU HI RUCPDOC/DEPT OF COMMERCE WASHINGTON DC RHMFISS/DEPT OF ENERGY WASHINGTON DC RUEHWL/AMEMBASSY WELLINGTON 0166 RUEHBY/AMEMBASSY CANBERRA 0192 RUEHJS/AMCONSUL SURABAYA 0420

UNCLAS SURABAYA 000048

SENSITIVE SIPDIS

DEPT FOR EAP, EAP/MTS, INR/EAP, AND EB/ESC/IEC DOE FOR CUTLER/PI-32 AND NAKANO/P-42 COMMERCE FOR USDOC 4430

E.O. 12958: N/A

TAGS: ECON EPET EINV SENV ELAB ENRG PGOV ASEC ID SUBJECT: EAST JAVA MUDFLOW UPDATE: AS THIRD ANNIVERSARY APPROACHES, INFRASTRUCTURE RELOCATION PROGRESSES SLOWLY, BUT SUBSIDENCE AND METHANE BUBBLES URGE SPEED

REF: SURABAYA 28 AND PREVIOUS

11. (SBU) Summary: The Sidoarjo mudflow has buried over 700 hectares over the past three years and threatens critical infrastructure. While the East Java Governor is pushing speedy construction of a new transportation corridor around the mudflow, landowners are demanding compensation equivalent to victims whose homes and businesses are under mud. New methane vents outside the containment dikes, obvious evidence of uneven subsidence, and problems pumping the mud out to sea are raising local concerns. The Sidoarjo Mud Management Agency (BPLS) has reportedly ordered new pumps using government funds, although Lapindo remains responsible for financing BPLS's pumping operations. End Summary.

Slow Progress on Infrastructure

- 12. (SBU) As the third anniversary of the Sidoarjo mud flow's eruption approaches, local press reports highlight continuing concerns about the mud flow's impact beyond the existing containment dikes. According to the Jawa Pos, the mudflow has buried over 700 hectares of land. Should the mudflow stop tomorrow, geologists reportedly predict that land subsidence will continue in the area within 2 km from the epicenter, eventually destroying the main road and railroad linking Surabaya's port with factories and farms farther east.
- (SBU) Officials insist construction of a new toll road, access road, and rail road will be completed by 2010. Unfortunately, land acquisition remains problematic. Landowners are insisting on compensation equal to that received by the mudflow's victims -- Rp 1,000,000/square meters (USD 98) for land and Rp 1,500,000/square meters (USD 147) for buildings. According to the USAID-funded Geological Hazards Advisor, rumors around the BPLS offices suggest that the new East Java Governor is seeking support from Jakarta for the forceful acquisition of land and expedited construction despite the lack of an eminent domain provision in Indonesian law.

Haste Might Be Wise

14. (SBU) The situation at the mudflow site gives officials reasons for haste. As reported reftel, subsidence north and west of the mudflow has hampered BPLS efforts to pump mud into the Porong River and financial difficulties have left Lapindo

unwilling to fund needed new pumps. A BPLS official privately told the USAID Advisor that BPLS had decided to order the pumps directly, using as-yet-to-be-approved government funds. The government would then bill Lapindo for reimbursement. With pumping stopped, mud levels have risen 1.3 meters since early March, and now rise to just 2.6 meters below the crest of the western dike protecting the road and railroad. At this rate, mud will overtop the dike in approximately 4 months, although buildup along the western side may force the mud toward available storage in ponds to the east.

- 15. (SBU) Subsidence is uneven, and the tops of the dikes undulate with the subsidence rate. Subsidence rates near the old toll road bridge are much higher than elsewhere and the levee nearby shows a distinct sag for approximately 100 meters. BPLS has proposed installing piezometers in the dikes to monitor water buildup and the impact of flowing water on the dikes themselves. The USAID advisor suggests that seepage along the dikes may be the result of thin layers of water flowing against and infiltrating the dike as the mud level rises.
- 16. (SBU) Methane bubbles are resurgent both inside the ponds and outside the containment dikes. Gas venting through the pavement beneath the congested main road threatens to further disrupt traffic flow. One new geyser has appeared not far from a staircase erected to allow tourists to view the mud from the top of the western dike. BPLS has capped similar geysers with separators to drain of the water and vent the gas high into the air to avoid any ignition hazards. The new vent has been marked off with police tape to keep smokers away.

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